FACTS ON FILE
WORLD NEWS DIGEST WITH INDEX
Reg. U.S. Pat. Off. Published Weekly
Vol. XVII, No. 879 Aug. 29-Sept. 4, 1957

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WORLD AFFAIRS

DISARMAMENT

West Presents Full Plan. The U.S., British, French & Canadian delegations to UN Disarmament Subcom. talks in London presented Aug. 29 a comprehensive outline for a first-stage East-West treaty governing conventional & nuclear disarmament.

The plan, endorsed Aug. 26 by the 15-nation NATO Council, was a summation of Western proposals advanced during the current 5-mo. session of disarmament negotiations. [See pp. 273E3-274B1, 266A1-C2, 249B1-F2]

Presented by U.S. delegate Harold E. Stassen, the 11-point "working paper" contained these provisions:

I. Within a year after a first-stage treaty became effective, U.S. & Soviet armed forces would be cut to 2,500,000 men each, British & French to 750,000 each, and the 4 major powers would sequester agreed quantities & types of modern arms in depots on their own territories under international supervision. Further reductions, cutting U.S. & Soviet forces to 2,100,000 men each & then to 1,700,000 each, would be made if political conditions were encouraging & first-stage reductions successful. [See p. 201B1-C2]

II. The U.S., Britain, France & USSR would help verify the reductions by giving an international control organization full information on their military budgets & expenditures.

III. "Each party assumes an obligation not to use nuclear weapons if an armed attack has not placed the party in a situation of individual or collective self-defense." [See p. 225E2]

IV. All "future production of fissionable materials" would be used, "under international supervision, exclusively for non-weapons purposes," including stockpiling, effective one month after establishment of an international nuclear inspection system. The parties would agree to "prompt installation" of such an inspection system & appoint a board of experts to plan it. They would agree to transfer weapons materials to non-weapons usage and "not to transfer" out of (or into) their control "any nuclear weapons" except for self-defense. [See pp. 233E1-D2, 219C2]

V. All "nuclear test explosions" would be suspended for one yr. provided that agreement had been reached on nuclear inspection posts to be set up on U.S., Soviet, British & other territories. The test ban would be renewable for a 2d yr. if substantial progress was made toward an inspection system and cessation of nuclear weapons material production. [See pp. 266A1, 249C2]

VI. Within 3 mos. after the first-stage treaty became effective, signatories would cooperate in establishing "a technical committee to study the design of an inspection system" that would "assure that the sending of objects through outer space will be exclusively for peaceful & scientific purposes." [See pp. 273B1-D3, 241F2]

VII. International inspection systems would be established "to safeguard against the possibility of surprise attack." A working group would be set up as quickly as possible to examine proposals for inspection. The West reaffirmed its proposals for aerial & ground inspection zones as stated by U.S. State Secy. John Foster Dulles. [See p. 242B1-F2]

VIII. An international disarmament control organization would be established under the UN Security Council to verify compliance with the treaty & assure its continuance.

IX. The organization's control board would begin study of "a system for regulating the export & import of designated armaments." [See p. 148C1]

X. Signatories would have the right to suspend their treaty obligations "in the event of an important violation by another party."

XI. The treaty's provisions would be "inseparable" but subject to re-examination at the request of any signatory.

Zorin Rejects Proposal. Soviet Dep. Forgn. Min. Valerian A. Zorin rejected the working paper Aug. 29 and told Western delegates that they would have to "do very much more" if they wanted "to achieve disarmament." Zorin repeated Soviet objections to what he termed the West's political preconditions for arms reductions & a suspension of nuclear weapons tests. However, Soviet delegation spokesmen said later Aug. 29 that Zorin's rejection had been "preliminary" and was not "a final reply." [See p. 274E3]

Stassen Sees 'Ike'. Stassen, Pres. Eisenhower's special advisor on disarmament & chief U.S. delegate to the UN subcommittee, returned to Washington Aug. 30 to report to the President & State Secy. John Foster Dulles. Stassen conceded to newsmen that an arms agreement probably was not "just around the corner," but he emphasized that "both sides know that modern war would be a bad loss all around." Stassen insisted before returning to London Sept. 2 that "we should be patient & persistent in these negotiations." [See p. 193F-G3]

Bulganin Aid Urged. British Prime Min. Harold Macmillan urged Soviet Premier Nikolai A. Bulganin in a letter delivered Aug. 30 & made public Sept. 2 to give "favorable consideration" to Western disarmament proposals. "You have but to say the word, and real progress is assured," Macmillan said. "We were not encouraged by the tone & substance" of Zorin's attack on Western proposals & objectives, he added. His message was in reply to a July letter from Bulganin. [See p. 241G2]

As for Bulganin's proposal that the U.S. & European states ban aid to any state violating European peace [see p. 241E-F3], Macmillan pointed out that "this undertaking has already been given" by all NATO members in 1954 and was proposed by "the Western powers at the Geneva Conf. of Forgn. Ministers in 1955." Macmillan reiterated his advocacy of expanding Anglo-Soviet trade but said that "until there has been a considerable easing in international tensions, there can be no question of withdrawing" restrictions on the export of strategic materials to the USSR. [See pp. 235F2, 196D3]

MIDDLE EAST

Khrushchev Syrian Trip Denied. Syrian Forgn. Ministry spokesmen denied Aug. 29 a previous announcement that Soviet CP First Secy. Nikita S. Khrushchev & Premier Nikolai A. Bulganin would visit Syria later in 1957. They offered no explanation for the conflicting reports but said that no official invitation had been extended to or accepted by the Soviet leaders. Syrian Forgn. Min. Salah el-Bitar said Aug. 29 that reports of plans for the trip, contained in Reuters press dispatches from Damascus Aug. 28, were part of the West's "propaganda campaign against Syria." [See p. 275A3]

Syrian Red Economy Seen. Speaking at the opening of the 4th annual Damascus Trade Fair, Syrian Natl. Economy Min. Khalil Kallas called Sept. 1 for "limitation of economic freedom" to align Syria with the "more advanced European countries." Kallas disclosed Syrian Govt. plans for establishment of national economic institutions aimed at the creation of a "progressive directed economy." Lauding the USSR as "the great power that backed our cause," Kallas warned that "imperialists" would attempt to "penetrate" a weakened Syrian economy "in order to subjugate us." [See pp. 275B3-276E1, 265B1-C3]

A Syrian delegation concluded 6 days of aid talks in Moscow & left for Damascus Sept. 3. A joint communiqué issued in Moscow said that Pavel C. Nikitin, deputy Soviet foreign aid chief, shortly would lead a delegation to Damascus to conclude aid negotiations & sign a final Soviet-Syrian accord [See p. 275B-D3]

Syrian Pres. Shukri al-Kuwatly defended the Syrian Govt. Sept. 1 against Western charges that it was leftist-dominated. Kuwatly asserted that Syria had "no other ideology but

Week in Headlines

International

West consolidated disarmament offers made during London talks into 11-point proposal.

Syria denied Soviet leaders invited for visit.

Molotov given ambassador's assignment in Outer Mongolia.

Malaya became independent.

United States

Congress adjourned after passing bills on civil rights, protection of FBI files, admission of more immigrants; cuts in Eisenhower budget estimated at $6-6½ billion by Dems., $900 million-$1 billion by GOP.

Arkansas Gov. Faubus called Natl. Guardsmen to bar Negroes from Little Rock public schools.

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that of true & pure Arab nationalism" and that "imperialists" were trying to force Syria into a settlement with Israel. He warned that Syrian "sovereignty shall not be violated." "Our country shall never be a base for strategic plans, open or secret, from East or West." [See p. 276B-C1]

Henderson Reports on Syria. U.S. State Dept. Middle East expert Loy W. Henderson returned to Washington Sept. 4 from talks in Turkey & Lebanon and told newsmen that Syrian developments could have "serious effects upon the security of the whole free world." Henderson refused to disclose to reporters his recommendations for U.S. action in the Syrian crisis. [See p. 276F1]

(U.S. Embassy spokesmen in Damascus announced Aug. 30 that American diplomatic & consular staffs there would be reduced due to restrictions & loss of contact with Syrian officials.) [See p. 258D3]

(The State Dept. was reported Aug. 30 to have rejected renewed Turkish & Iraqi appeals for full U.S. membership in the Baghdad [METO] Pact to counter Syria's apparent pro-Soviet shift.) [See pp. 186B2, 93D1, 26D3]

Oil. Washington sources said Aug. 29 that the U.S. had asked Britain to estimate the potential damage to the British & West European economies should Syria close pipelines carrying Iraqi & Saudi Arabian oil to the Mediterranean. Sen. Joseph C. O'Mahoney (D., Wyo.), chairman of the Senate Antitrust & Monopoly Subcom., asserted Aug. 26 that Syrian developments underscored the need for a Govt.-controlled emergency fuel program to deal with future oil crises. [See Vol. XVI, pp. 402D-F1, 387F1]

An Antitrust & Monopoly Subcom. majority report issued Aug. 25 by O'Mahoney and Sens. Estes Kefauver (D., Tenn.) & Matthew M. Neely (D., W. Va.) criticized the Eisenhower Admin. for improperly delegating "essential governmental responsibility" for emergency oil planning to private oil firms during the Suez Canal crisis. Subcommittee member Everett M. Dirksen (R., Ill.), in a dissent filed Aug. 25, defended the Admin.'s creation of the Mid-East Emergency Com. from among private oil executives as "essentially" similar to Pres. Truman's handling of the 1951 Iranian oil crisis. [See p. 211E2]

O'Mahoney, chairman of the subcommittee's investigation into U.S. oil price increases & the emergency oil program for Western Europe, had charged Feb. 22 that State Secy. Dulles had offered, as a U.S. policy, to protect "the concessions" of the major oil firms and to support "international intervention" should their Mid-East fields or plants be nationalized. The oil firms, he said, "have the inside track" on Eisenhower Admin. policy in the Mid-East.

An Interior Dept. report written by Ralph S. Fowler, director of the voluntary U.S. Suez oil lift, asserted Aug. 25 that "the sole objective of the program," i.e., to prevent an oil shortage in Europe, "was attained." The report defended private firms serving on the Mid-East Emergency Com. as "deserving of the highest commendation."

Among other statements on the Suez oil crisis: Lt. Gen. Ernest O. Thompson, chairman of the Texas RR Comm., said Feb. 15 that the European oil shortage "was just a newspaper crisis" but that Texas oilmen were doing a "jamup job" to meet legitimate needs; Frank M. Porter, Amer. Petroleum Inst. pres., said Feb. 18 that charges that American oil firms were "gouging" consumers were "irresponsible" because producers "have a long way to go before they catch up with their rising costs"; Pres. M. J. Rathbone of Standard Oil of N.J. said Feb. 19 that recent price rises by U.S. oil firms were "long overdue"; Victor Hansen, Justice Dept. Antitrust Div. head, reported Feb. 20 that the emergency oil lift was working reasonably well but that "certain Greek [tanker] owners are making $1 million a trip" for transporting Mid-East oil to Europe. [See pp. 37G2-38B1]

Lebanon Backs Pro-West Role. Premier Sami es-Solh, in a general policy statement to the Lebanese Parlt., reaffirmed Aug. 29 Lebanon's adherence to the Eisenhower Doctrine & cooperation with Western efforts to halt Soviet penetration of the Middle East. Solh, warning that a "war atmosphere" had been created, pledged efforts to find "cordial solutions" to Syrian-Lebanese differences. He asserted that Lebanon, as an Arab state, would continue to oppose peace with Israel and to reject secret-base agreements with either East or West. [See pp. 276G1, 228C1, 155C1, 211F1]

Solh, who had resigned Aug. 14, after Lebanese general elections, was recalled Aug. 16 by Pres. Camille Chamoun and named the following Cabt. Aug. 18: Premier, Justice & Interior Mins.—Solh; Forgn. Affairs—Dr. Charles Malik; Finance—Jamil Mekkaoui; Defense & Post Office—Magid Arsland; Hygiene & Social Affairs—Joseph Skaff; Agri.—Khazem el-Khalil; Educt. & Info.—Farid Cozma; Public Works—Salim Lahoud. [See pp. 211E1, 186F3, 178A1]

The Lebanese Internal Security Council met Sept. 3 to consider tightened police measures & act on reports that Syria was arming & directing subversive groups inside Lebanon. The Lebanese Govt. announced Sept. 3 that a Syrian arms courrier had been intercepted carrying guns to a cousin of Abdullah Yaffi, Lebanese ex-Premier & leader of the country's anti-Western opposition. 6 Lebanese saboteurs were captured with Syrian arms Aug. 25 while attempting to dynamite a bridge near the Syrian border. Terrorists had bombed U.S. Info. Svc. & Voice of Amer. offices and the Jordanian Consulate in Beirut July 31. [See Vol. XVI, p. 395D-E2]

Egypt. Pres. Gamal Abdel Nasser, in a message to the 6th annual meeting of the Org. of Arab Students held in Berkley, Calif., warned Sept. 2 that the Arab world was ready for "a long struggle," and, if necessary, war, against the "imperialist nations." [See p. 242C-F2] . . . War Min. Maj. Gen. Abdel Hakim Amer told the Egyptian Parlt. Sept. 2 that Egypt's Air Force had "doubled" its strength since the 1956 Suez invasion. [See Vol. XVI, p. 375G3] . . . The Saudi Arabian Govt. reportedly rescinded Aug. 25 its ban on oil shipments to Egypt (ordered Aug. 17 to take effect Sept. 1). [See pp. 227G2, 163G2] . . . Egyptian officials announced Aug. 30 the arrests of 18 persons charged with being members of an underground Communist Party pledged to overthrow of the Nasser regime. Abdel Hamid Islambouli & ex-Lt. Col. Hassan Abdel Magid Siyam, defendants in the trial of Wafd Party & Army leaders charged with plotting against Nasser, repudiated their confessions Aug. 14-15 on grounds they had been obtained by torture. [See p. 259B-C3] . . . Greek Premier Constantine Karamanlis arrived in Cairo Aug. 17 for talks with Nasser on Cyprus & the future of Greeks in Egypt. [See p. 99B3]

Suez Canal. The Universal Suez Canal Co. filed suit in Switzerland Aug. 16 to recover $1.4 million in assets it had deposited in a Swiss bank before the canal's 1956 nationalization by Egypt. The Egyptian Govt. successfully had opposed previous efforts to remove the funds. [See p. 204G2-A3] . . . Egyptian representatives began talks with French officials Aug. 26 in Geneva on resumption of economic relations and with British officials Aug. 17 in Cairo on the disposition of British property sequestered since the 1956 Suez attack. [See pp. 227G3, 178G1] . . . The Israeli Govt. charged Aug. 21 that Egyptian officials had delayed the Israeli-bound Danish vessel "Mars" on its passage through the canal. Egypt had blacklisted the Israeli-chartered Italian freighter "Monte Pellegrino" Aug. 4 but permitted it to use the waterway. [See p. 242G1] . . . Israeli seaman Rafil Eilon, arrested by Egypt July 22, was freed & returned to Israel Aug. 14 via the Jordanian sector of Jerusalem. [See p. 234E1] . . . The Intl. Chamber of Shipping protested Aug. 7 against UN proposals to pay an estimated $8.4 million in Suez clearance costs by levying a surcharge on shipping through the canal. [See p. 3C2]

Arab-Israeli Disputes. The Israeli-Jordanian Mixed Armistice Comm., under Israeli boycott, condemned Israel Sept. 3 for 2 border incidents in which a Jordanian truck struck a mine Aug. 25 and 4 soldiers were reported killed Aug. 22. Jordan asked the UN Security Council Sept. 4 to investigate its charges that reported Israeli tree planting operations were encroaching on Jordanian territory in Jerusalem. [See p. 138F2] . . . Israeli engineers began final drainage work on the Lake Huleh project Sept. 1 despite previous Syrian protests

FACTS ON FILE is published weekly by Facts on File, Inc., 119 W. 57th St., New York 19, N. Y. (COlumbus 5-2011-2). Entered as 2d class matter June 24, 1941 at the Post Office in New York, N. Y., under the Act of March 8, 1879. Subscription $95 a year; Yearbooks (bound volumes) from 1942—$25 each. Cumulative Index published twice a month. Copyright 1957 by Facts on File, Inc. Edw. Van Westerborg, Pres.-Treas.; Fred McGhee, Secy.-Editor; Bernard Messinger, Business Manager.

against the scheme. Syria agreed Aug. 29 to establishment of 3 UN truce observation posts in Syrian territory near the disputed Huleh zone. [See pp. 259E2, 227E2] . . . The Jordanian Govt. refused Aug. 17 to contribute to expenses of the UN Emergency Force because of its continued presence in the Gulf of Aqaba area. It announced, however, that Jordan would contribute $70,000 to UN funds for Palestinian refugees. [See pp. 227G2, 196F1]

SOVIET BLOC

Molotov to Mongolia. The Soviet Govt. announced via its newspaper "Izvestia" Aug. 31 that Vyacheslav M. Molotov, ex-First Dep. Premier & State Control Min., had been named Soviet Amb. to Outer Mongolia since his dismissal from Communist Party & Cabt. posts for leading an "anti-party" faction against CP First Secy. Nikita S. Khrushchev. Molotov replaced Vasily I. Pisarev, as Soviet ambassador in Ulan Bator (3,000 mi. from Moscow). Pisarev was named Embassy minister-counsel under Molotov. [See pp. 266A3, 218D3]

(The USSR had announced Aug. 28 abolition of the Ministry of State Control, which was headed by Molotov at the time of his ouster by Khrushchev. Tass news agency reported that the Presidium of the Supreme Soviet [Parlt.] had replaced the ministry with a Comm. of Soviet Control under the USSR's Council of Mins. [Cabt.] Tass said that the new commission would "deal with new conditions" arising from the decentralization of industry & increase in local Govt. authority.) [See pp. 218B-C1, 217F2]

(According to rumors in Moscow Aug. 31-Sept. 2, ex-First Dep. Premier Lazar M. Kaganovich had been named manager of a cement plant somewhere east of the Ural Mts. and ex-Forgn. Min. Dmitri T. Shepilov had been assigned as a teacher in the Soviet Far East.) [See p. 226A3]

UN Censure on Hungary Sought. Meeting informally with delegates of 60 non-Communist UN states, U.S. Amb.-to-UN Henry Cabot Lodge Jr. made public Sept. 3 a U.S. draft resolution renewing UN censure of the USSR for its repression of the 1956 Hungarian revolt. [See Vol. XVI, pp. 418B-D1, 377E-G2, 365D3]

The resolution, to be introduced at a special UN Gen. Assembly session on Hungary scheduled for Sept. 10, called for (a) approval of the report of the assembly's Special Com. on Hungary [see p. 202E1-F2], (b) extension of the committee's work, (c) an end to "repressive measures against the Hungarian people" by the Soviet & Hungarian Govts., and (d) consideration of the Hungarian problem by the 12th (regular) Gen. Assembly, scheduled to meet Sept. 17.

The special assembly session on Hungary had been called Aug. 19 by UN Secy. Gen Dag Hammarskjöld after a poll of UN member states indicated Aug. 12 that a majority desired to discuss the Special Com.'s report. The UN poll had been conducted after the 24 nations co-sponsoring creation of the Special Com. [see p. 11G3-12B1] met June 26 and appealed for renewed assembly debate on Hungary. [See p. 202F2]

A Hungarian Forgn. Ministry statement attacked the Special Com.'s report Aug. 7 and charged that the UN "has no business investigating" the USSR's military "help" to the Hungarian Govt. during the 1956 uprising. It demanded that the UN probe "intervention in the internal affairs of Hungary" by the U.S. & other "imperialists." [See p. 202F2-A3]

(Hammarskjöld told newsmen Aug. 22 that he might yet visit Hungary if such a trip seemed useful and was ordered by the Gen. Assembly. He had denied Aug. 2 that the UN had used a "double standard" in dealing with the Hungarian & Mid-Eastern crises. He attributed apparent differences to the "unequal measure of compliance" with UN directives by the USSR in Hungary and by Britain, France & Israel in the Middle East.) [See pp. 259C2, 186F3, 155C2]

(Pal Racz, Hungarian UN mission 2d secy., was disclosed July 6 to have been ousted from the U.S. for exceeding normal diplomatic privileges. Vladimir Grusha, Soviet UN delegation first secy., left for the USSR Apr. 10 at the U.S.' request after he was revealed to have received secret data on the Special Com. on Hungary's report from Dhanapala Samarasekara, Ceylonese UN employe, who was placed under UN investigation.) [See p. 202D3]

Deny Kadar Shift. Hungarian Forgn. Ministry spokesman Lazlo Gyaros denied Aug. 24 as "pure fantasy" Western reports that Premier Janos Kadar would resign to concentrate on party work as Hungarian CP first secy. American State Dept. sources had reported Aug. 23 that Kadar probably would be replaced by First Dep. Premier Ferenc Munich, a reputed Stalinist, in order to blunt criticism of the Kadar regime during the Sept. 10 UN special session on Hungary. [See pp. 258E-F1, 155G1]

Kadar, speaking in Kisujszallas on Hungarian Constitution Day, declared Aug. 20 that some Hungarians had complained his regime was "not cruel enough," presumably in dealing with its opponents. (The Hungarian Govt. announced Aug. 15 the executions of rebels Zsigmond Sipos, 23, & Joszef Erdesz, 30, and the death sentence of Rev. Laszlo Mindszenti, a priest, for hiding arms & serving on a rebel committee in Per.) [See p. 258A-D1]

USSR Eases Travel Ban. The Soviet Govt. Aug. 30 opened 5 cities to foreign travellers and said that it was "prepared to discuss" other travel restrictions with the U.S. on a reciprocal basis. A circular sent to the U.S. & British Embassies in Moscow said that foreigners now would be permitted to visit 3 Ukrainian centers; Lvov (formerly Polish), Uzhgorod (formerly Czech), & Chernovtsy (formerly Rumanian); Irkutsk, in Siberia, and Riga, capital of the Latvian SSR. The USSR. however. simultaneously closed to Westerners 120,000 sq. mi. in Soviet Asia near the Chinese border (the cities of Frunze & Alma-Ata, parts of Kazakhstan & Kirghizia) and areas surrounding Leningrad & Moscow. [See p. 267G1]

(Mrs. Eleanor Roosevelt arrived in Moscow Sept. 3 on a 25-day visit to the USSR.) [See p. 203E2]

Red China. The Chinese Communist Govt. expelled Aug. 31 Shelby Tucker Jr., 22, of Pass Christian Miss., for refusal to show Peiping officials his U.S. passport during immigration inspection. Tucker, one of 41 U.S. students who defied the State Dept. to visit China, crossed back into the USSR Sept. 2. [See p. 274A3] . . . Sen. William F. Knowland (R., Calif.), in a filmed TV interview broadcast Sept. 1, said that the State Dept. could admit Red Chinese newsmen & retain the U.S.' ban on Communist Chinese visitors by issuing individual "temporary news certificates" for entry. [See p. 274C1-G2] . . . A "N.Y. Times" dispatch from Hong Kong Sept. 2 traced China's current anti-rightist campaign to CP Politburo members Liu Shao-chi & Peng Chen and said it had been pressed to end the "rectification" drive originally backed by both Pres. Mao Tse-tung & Premier Chou En-lai. [See p. 275A-B1] . . . "Peiping People's Daily" reported Sept. 3 that 10 persons had been seized & several of them condemned to death for plotting an independent state in Fukien Province. It accused Li Shu-chung, Fukien Peasants & Workers party head, of leading the plot in association with Chang Po-chun, Communications Min., & Li Po-chiu, alleged rightist leader. [See pp. 274C3-275A1] . . . A 750-mi. highway, the 3d new road linking Communist China & Tibet, was opened to traffic Sept. 2. [See p. 195G1]

Poland. The Polish Govt. announced Sept. 1 that Polish Premier Jozef Cyrankiewicz & CP First Secy. Wladyslaw Gomulka would visit Yugoslavia shortly for talks with Pres. Tito. Warsaw's CP newspaper "Trybuna Ludu" said Sept. 1 that the talks would bolster ties among all East European states, "based on the real independence of all these countries." (Austrian Govt. spokesmen disclosed Sept. 3 that Cyrankiewicz had made a secret 4-day visit to Vienna in late August.) [See pp. 258C2, 203E2-A3, 187E1] . . . Gomulka, speaking in Krakow Aug. 17, warned Polish workers against the activities of demagogues, who, he said, had incited Lodz tram workers into "wildcat strikes" Aug. 12-14. Gomulka denounced speculation, inflation & strikes for "cheating the workers." (Kazimierz Szczepanski, Warsaw Central District CP first secy., revealed Aug. 21 that the district's entire executive corps, regarded as adherents of the pro-Soviet "Natolin group" had been forced to resign Aug. 4 for their refusal to support Gomulka.) [See pp. 258A2; Vol. XVI, 345D3] . . . The Polish Govt. announced Aug. 18 new labor regulations to enforce "labor discipline" through fines, demotion & dismissal for absenteeism & illegal strikes. The Govt. revealed Aug. 18

that 1,500 miners had been fired for absenteeism. [See p. 258A3] . . . The Polish Govt. Aug. 16 expelled UP correspondent Anthony J. Cavendish for what it termed his "tendentious" reporting of the Lodz strike. . . . In an apparent reversal of announced plans for confiscatory taxing of all incomes over 15,000 zlotys monthly, Finance Min. Tadeusz Dietrich made public Aug. 15 new tax rates ranging from 10% of 1,000 zlotys per month to 51% of 15,000 & 79.3% of 1,000,000. (Import restrictions issued Aug. 24 provided for tariffs of up to 1,500% on 58 luxury items including jewelry, automobiles & chewing gum.) [See p. 258D2] . . . The Polish Govt. reported Aug. 20 that industrial production in Jan.-June 1957 had exceeded the same period of 1956 by 8.6% [See p. 258E2] . . . 70 of 800 Polish tourists aboard the liner "Batory" defected during a visit to Copenhagen, Aug. 21-22. The Danish Govt. granted political asylum to 64 of the Poles Sept. 3. (The British Govt. granted asylum Aug. 17 to Mieczyslaw Reluga, 26, Polish commercial attaché in London, and his son, Richard, 3, following their flight from the Polish Embassy Aug. 13. [See p. 258B3] . . . U.S. Commerce Secy. Sinclair Weeks issued regulations Aug. 28 to ease & simplify export of "peaceful goods" to Poland. [See p. 221D3] . . . Warsaw radio said Aug. 12 that the Rockefeller Inst. had granted Poland $475,000 for the development of Polish science & scientific education. [See p. 151E1] . . . Govt. appeals against absenteeism & alcoholism among workers were supported by Stefan Cardinal Wyszynski as he addressed 700,000 Catholics Aug. 26 at the monastery of Jasna Gora, Czestochowa. He spoke on the 301st anniversary of King John Casimir's pledge of the Polish throne to the Virgin Mary. [See p. 258G2]

Albania. In an interview with the first U.S. newsman to visit Albania in 10 yrs., Premier Mehmet Shehu told "N.Y. Times" correspondent Harrison Salisbury Aug. 28 that Albania desired renewed relations with the U.S. but would resist the U.S.' "aim of overthrowing the people's rule & re-establishing the old regime." Shehu charged the U.S. had sent spies to Albania to "carry on espionage, sabotage & murder" under State Secy. Dulles' stated aim "to set Albania free." Shehu, 44, a graduate of the Amer. Vocational School in Tirana, denied that Albania was a Soviet satellite or was in need of post-Stalin relaxation of its police & security organs. He asserted that Albania didn't "intend to attack anyone, especially not America." [See p. 235A1]

NATIONAL AFFAIRS

THE PRESIDENT

Starts Vacation. Pres. & Mrs. Eisenhower flew to Quonset Point (R.I.) Naval Station Sept. 4 to begin a golf-&-fishing vacation at Coaster's Harbor Island at the Newport (R.I.) Naval Station. In an oblique reference to Democratic charges that he spent too much time vacationing & too little working, the President told welcomers in Newport that he hoped to stay for "the normal space of a vacation . . . which for us would be probably extended a great deal more than some others think I should." [See p. 220G3]

Mrs. Eisenhower had left Walter Reed Army Hospital in Washington Aug. 30 after 24 days of recuperation following an operation. [See p. 260A3]

(The President was inoculated against Asian 'flu Aug. 26 because of 2 exposures to the disease.

(Mr. Eisenhower, formerly a licensed pilot, took the controls of his 2-engine plane and flew it for a short distance en route from Washington to his Gettysburg farm Aug. 24. It was the first time a President had piloted a plane.)

For Higher Lead-Zinc Duty. Pres. Eisenhower told Chrmn. Jere Cooper (D., Tenn.) of the House Ways & Means Com. in a letter made public Aug. 23 that if Congress failed to approve his request for higher tariffs on lead & zinc imports (Congress adjourned Aug. 30 without voting approval), he would press the industry's plea for such increases before the Tariff Comm. But Mr. Eisenhower assured Cooper that he still strongly supported the reciprocal trade program. He said his request for legislation on lead & zinc "is the sole exception proposed by this Admin. in over 4½ years." The President told reporters Aug. 21 that he had asked for Congressional action because he had been informed that the lead & zinc industry situation was too "critical" to allow time for a Tariff Comm. inquiry under the escape clause, as would be normal. [See pp. 48C1, 29E1; Vol. XIV, 315E2]

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CONGRESS

Adjourns, Record Debated. The first session of the 85th Congress adjourned Aug. 30. The House concluded its business at 3:57 p.m., the Senate at 4:22 p.m. The 2d session was to open Jan. 7. During its 8-month first session, the 85th Congress had passed some 250 public laws, including the first major civil rights bill since Reconstruction.

Senate Democratic leader Lyndon B. Johnson (Tex.) hailed the Democratic-controlled session for "solid, substantial achievements." It had enacted more than half of Pres. Eisenhower's 155 legislative requests, "and others are still on the calendar," he said. Had it "passed no other measure, its adoption of the voting rights bill would entitle it to a place in history," he declared.

But Senate GOP leader William F. Knowland (Calif.) issued a 58-page "Republican review" complaining that Congress had enacted "only a part of the President's proposals into law, and not always in keeping with his recommendations." He charged that "the Democrats . . . [had] passed but little legislation which fulfilled [their own] platform pledges."

Pres. Eisenhower said at his press conference Sept. 3 that he saw little reason to revise his Aug. 21 statement that he was "tremendously disappointed" in the 85th Congress [see p. 267E2]. He praised it for passing the Middle East resolution (Eisenhower Doctrine), authorizing U.S. participation in the Intl. Atomic Energy Agency and adopting the civil rights bill & a law to protect FBI files. But he criticized Congress for not passing measures for "the registration of union welfare & pension funds and the publication of the financial reports of unions," for killing the emergency corn program, for failing to adopt a bill curbing billboards on highways, for postponing tax relief for small business, for killing federal flood insurance, for providing insufficient foreign aid appropriations, for denying "very important postal rate increases" and for not raising interest on Govt. loans to the point where it covered "the cost to the Fed. Govt. of borrowing that money." (White House Press Secy. James C. Hagerty said later that the President's list of Congress' failures included rejection of the school-construction bill.

Rights Bill Passed. A compromise civil rights bill—(HR6127), the Civil Rights Act of 1957— was passed by 60-15 Senate vote and sent to the White House Aug. 29 after Sen. Strom Thurmond (D., S.C.) held the Senate floor for a record 24 hr. 18 min. in a futile argument against passage.

The vote for passage: **37 R.**—Aiken (Vt.), Allott (Colo.), Barrett (Wyo.), Beall (Md.), Bennett (Utah), Bush (Conn.), Case (N.J.), Case (S.D.), Cooper (Ky.), Cotton (N.H.), Curtis (Neb.), Dirksen (Ill.), Dworshak (Ida.), Flanders (Vt.), Goldwater (Ariz.), Hickenlooper (Ia.), Hruska (Neb.), Ives (N.Y.), Javits (N.Y.), Knowland (Calif.), Kuchel (Calif.), Langer (N.D.), Martin (Ia.), Martin (Pa.), Mundt (S.D.), Potter (Mich.), Purtell (Conn.), Revercomb (W. Va.), Saltonstall (Mass.), Schoeppel (Kan.), Smith (Me.), Smith (N.J.), Thye (Minn.), Watkins (Utah), Wiley (Wis.), Williams (Del.), Young (N.D.). **23 D.**—Bible (Nev.), Carroll (Colo.), Church (Ida.), Clark (Pa.), Douglas (Ill.), Frear (Del.), Hayden (Ariz.), Hennings (Mo.), Humphrey (Minn.), Jackson (Wash.), Johnson (Tex.), Kefauver (Tenn.), Kennedy (Mass.), Lausche (O.), Magnuson (Wash.), McNamara (Mich.), Monroney (Okla.), Neuberger (Ore.), O'Mahoney (Wyo.), Pastore (R.I.), Proxmire (Wis.), Symington (Mo.), Yarborough (Tex.).

Against the bill: **18 D.**—Byrd (Va.), Eastland (Miss.), Ellender (La.), Fulbright (Ark.), Hill (Ala.), Holland (Fla.), Long (La.), McClelland (Ark.), Robertson (Va.), Russell (Ga.), Scott (N.C.), Smathers (Fla.), Stennis (Miss.), Talmadge (Ga.), Thurmond (S.C.).

Paired: **4D. for**—Green (R.I.), Gore (Tenn.), Murray (Mont.), Mansfield (Mont.); **4 D. vs.**—Sparkman (Ala.), Ervin (N.C.), Johnston (S.C.), Morse (Ore.). Not voting nor paired but announced as for the bill: **7 R.**—Bricker (O.), Butler (Md.), Capehart (Ind.), Jenner (Ind.), Malone (Nev.), Morton (Ky.), Payne (Me.); **3 D.**—Anderson (N.M.), Chavez (N.M.), Neely (W. Va.).

Provisions of the bill:

Part I would create a 6-member, bipartisan Comm. on Civil Rights with subpoena powers to investigate charges that citizens were deprived of voting rights because of their color, race, religion or national origin. It would study all aspects of the matter of "equal protection of the laws under the Constitution," submit interim reports to the President & Congress and, within 2 years, submit a final report to Congress. The commission would cease to exist 60 days after submission of its final report.

Part II called for appointment of an additional Asst. Atty. General [to head a special Civil Rights Div. within the Justice Dept.].

Part III provided machinery "to recover dam-

ages or to secure equitable or other relief under any act of Congress providing for the protection of civil rights, including the right to vote."

Part IV barred interference with voting rights and authorized the Atty. General to seek a federal injunction or other preventive relief with or without the victim's consent. U.S. district courts would exercise jurisdiction regardless of whether the victim "shall have exhausted any administrative or other remedies . . . provided by law."

Part V set a $1,000 fine & 6 months' imprisonment as the maximum punishment for criminal contempt arising from violation of a court order issued under the act. The judge would have the power to decide to try criminal contempt defendants without jury, but the defendant would be entitled to a new trial before a jury if his sentence, on conviction in a non-jury trial, should exceed a $300 fine or 45 days' imprisonment. Part V specifically set no limit on a judge's powers to try & punish civil contempt defendants without jury. Part V also specified that any U.S. citizen 21 or older who had lived for a year in the judicial district was "competent to serve" as a federal juror unless—(1) He had been convicted of a crime punishable by imprisonment for more than a year and his civil rights had not been restored; (2) he was unable to read, write, speak & understand English; (3) he was "incapable, by reason of mental or physical infirmities, to render efficient jury service." [See p. 276D2-F3]

Major Actions of 85th Congress' First Session

APPROVED

$59½ billion of President's $64 billion appropriations requests
Civil rights bill (to protect voting rights)
Eisenhower Middle East Doctrine
Mutual security program (at lower scale than President's requests)
U.S. membership in Intl. Atomic Energy Agency
Protection of FBI files
Omnibus housing legislation
Immigration legislation (providing only some of President's requests)
Pay raises for postal & other federal employes
Extension of overseas farm surplus disposal law
Soil bank program's continuation
Small Business Admin. extension
Increased interest on Govt. bonds
Corporation & excise tax rate extension
N.Y. State construction of Niagara power plant

REJECTED

Federal aid for school construction
Federal construction of Hells Canyon dam (killed by House after Senate approval)
National monetary commission
Aid to Midwest corn producers
Increased interest rates on GI housing loans

LEFT UNFINISHED

U.S. membership in Org. for Trade Cooperation
Alaskan & Hawaiian statehood
Postal rate increases
Easing of natural-gas price control
"Equal rights" for women
Regulation of employe welfare & pension funds
Bricker amendment to limit President's treaty-making powers
Aid for economically-depressed areas in the U.S.
Extension of Minimum Wage Law coverage

INVESTIGATED

Labor union leaders
Idaho Power Co.'s tax relief for Hells Canyon dams
Admin.'s "tight-money" & other financial policies
Emergency oil-for-Europe program

STATISTICS

14,013 measures were introduced, 539 enacted (as of Sept. 4, with others still before President).
44,114 nominations were confirmed.
Senate spent 860 hr. 44 min. in session
House spent 585 hr. 19 min. in session

(S. C. Gov. George Bell Timmerman Jr. had demanded Aug. 28 that Southern Senators filibuster against the bill "or step aside and let there be elected men with political courage who will." Miss. Gov. J. P. Coleman announced Aug. 28 that he was appointing a committee of lawyers from each of his state's 82 counties to draw up a program of "massive resistance" to the bill and to advise Mississippians on how to circumvent its provisions. Ga. Gov. Marvin Griffin said Aug. 30 that he would ask "the best lawyers I can find" in Georgia to recommend state election law changes to by-pass the bill. "We're not going to let a federal judge tell us who can vote," Griffin pledged.)

Thurmond's 'Filibuster.' Sen. Thurmond, 54, held the Senate floor a record 24 hr. 18 min. from 8:54 p.m. Aug. 28 to 9:12 p.m. Aug. 29 in what he called "an educational debate" rather than a "filibuster" against the civil rights bill.*

Unlike Sen. Wayne Morse (D., Ore.), whose 22-hr. 26-min. non-stop talking record he surpassed [see Vol. XIII, p. 132L-N], Thurmond spoke for hours in a barely-audible drone and had brief interruptions during which he visited the rest room or sat & rested. He drank 3 glasses of milk, most of a pitcher of orange juice and water during his ordeal.

(Sen. Richard B. Russell [D. Ga.], a leader in the fight to defeat or weaken the bill, disclosed in a Senate address Aug. 30 that 18 Southern Senators had considered but rejected an organized filibuster. "From a purely political point of view, it [a filibuster] would have been the easy course," he said. But the Southerners knew they could not muster enough votes to defeat cloture and feared that the result would have been passage of "the vicious bill which came to us from the House in its original form," he revealed. "We therefore pursued a policy of appeal to reason," and this, he claimed, was responsible for reducing the bill from an effective civil rights act to just a voting-rights law. He predicted that the act would "be administered by a politically-minded Atty. General [Herbert Brownell Jr.]," who "will be constantly pressed" by Vice Pres. Nixon to apply its powers "to the Southern states at such places & in such times & manner as the NAACP, of which the Vice President is the most distinguished member, may demand.")

Budget Cuts. Congress cut Pres. Eisenhower's appropriations requests by $4,914,355,584, according to House Appropriations Com. figures released Aug. 30. Senate Democratic leader Johnson estimated the cuts at $5,927,495,000, and Chrmn. Harry F. Byrd (D., Va.) of the Senate Finance Com. at $6½ billion.

But Pres. Eisenhower told reporters Sept. 3 that these were "political interpretation[s]" and that the cuts amounted only to $900 million-$1 billion. About $3 billion of the purported cuts were "bookkeeping" savings consisting of such items as $330 million taken "out of programs authorized by Congress" on the guess that bills for the programs "can be paid cheaper than we estimated," Mr. Eisenhower said. He said: an additional $451 million was allegedly cut from his school construction program, but the program was not enacted so there was "no point" to the appropriation.

Appropriations. A comprehensive $3,435,810,000 mutual security appropriations bill (HR9302) was passed by 59-19 Senate vote Aug. 29 and 194-122 House vote Aug. 30 and signed by the President Sept. 3. Mr. Eisenhower noted that the bill provided "substantially less than the amount I originally requested." He promised to "keep a close & continuous watch to see the effects" of "this serious cut." The bill provided $2,768,760,000 in new appropriations & $667,050,000 in carry-over funds. $725 million was for defense support, $225 million for the special assistance program (including ($10 million for Guatemala), $1.34 billion for direct military aid, $300 million to start a new economic development loan fund, $125 million for technical (Point 4) aid. The final version eliminated a House restriction limiting U.S. contributions to UN agencies to 1/3 their budgets. A $3½ billion ceiling on fiscal 1959 foreign aid spending had been ordered by Pres. Eisenhower in June.) [See p. 276F3]

Compromise bills appropriating $33,759,850,000 for the Defense Dept. & $3,666,543,757 for the Agriculture Dept. during fiscal 1958 were passed by the Senate Aug. 1 during a pause in the civil rights bill debate and signed by the President Aug. 2 as Public Laws 85-117 & 85-118. [See pp 244D3, 221A3]

A compromise $1,743,011,947 supplemental appropriations bill (HR9131) providing $1.53 billion for military construction was passed by both houses Aug. 23 and signed by the President Aug. 28 as PL 85-170. $20 million was for emergency conservation work on flood-damaged farms, $15 million for Presidential disaster relief funds, $13,317,000 for TVA operations, $12½ million to start a

The fate of Mr. Eisenhower's major appropriations requests:

	Requested	Appropriated
Agriculture	$3,965,446,617	$3,666,543,757
Atomic Energy	2,491,625,000	2,323,632,500
Commerce	871,513,000	597,790,225
Defense	36,128,000,000	33,759,850,000
Dist. of Columbia	25,504,450	22,504,450
Gen Govt. Matters	20,921,870	60,010,370
Health, Edctn. & Welfare	2,582,114,581	2,503,130,381
Independent Offices	5,923,195,$$$	5,373,877,800
Information Agency	144,000,000	96,200,000
Interior	515,189,700	456,189,600
Judiciary	40,780,250	38,562,050
Justice	234,655,000	226,705,000
Labor	384,678,000	353,817,600
Legislative	108,271,443	104,844,660
Misc. Labor Agencies	14,485,000	14,235,800
Mutual Security	3,386,860,000	2,768,760,000
Post Office	3,250,000,000	3,192,000,000
Post Office Supp'l	149,500,000	133,000,000
Public Works	876,453,000	858,094,323
Spec'l Fund for Pres.	18,500,000	12,400,000
State Dept.	227,714,552	189,024,243
Supplemental, 1958	1,973,767,827	1,734,011,947
Tax Court	1,460,000	1,460,000
Treasury	713,831,000	691,467,000

*Other Senators agreed that technically, Thurmond's performance could not be called a filibuster because a single Senator could not hope to delay Senate operations indefinitely; such delay, which would force concessions from the rest of the Senate, was an essential element of a filibuster.

new Washington area airport and $800,000 for the Asian flu emergency program. The House had voted tentatively Aug. 6 to drop funds to start a $3 million Air Force Academy chapel that critics had described as a "monstrosity," but the House reversed this decision Aug. 7. (A compromise $1,232,495,000 military construction authorization bill was signed by the President Aug. 31.) [See p. 230A1]

A compromise $858,094,323 public works appropriations bill (HR8090) was passed by both houses Aug. 13 and signed by the President Aug. 26 as PL 85-167. Mr. Eisenhower criticized Congress for including "unbudgeted new construction starts for the Corps of Engineers." He said they would require "future commitments of over $700 million," and he charged that such unbudgeted appropriations during the past 3 years had added about $2½ billion to the Govt.'s commitments. [See p. 207E2]

The compromise $2,323,632,500 Atomic Energy Comm. appropriations bill (HR9379) was signed by Pres. Eisenhower Aug. 28 as PL 85-175 [see p. 277E-F1]. (He simultaneously signed as PL 85-177 the bill [HR8992] providing for U.S. participation in the Intl. Atomic Energy Agency [see p. 277A-B1]. The President Sept. 3 also signed a bill to provide Govt. insurance against accidents in private atomic plants. [See p. 208B-C1]

FBI File Protection. A compromise bill (S2377) to protect FBI files from unrestricted examination by defendants in criminal cases was adopted Aug. 30 by 74-2 Senate vote & 351-0 House vote and signed by the President Sept. 3. Only Sens. Estes Kefauver (D., Tenn.) & William Langer (R., N.D.) voted against it.

The measure, urged by both Admin. & Congressional leaders to offset the Supreme Court decision in the Clinton E. Jencks case [see p. 222G2-F3], provided that: (a) FBI & other Govt. investigative reports would not be subject to subpena or inspection unless the Govt. witness who made them had testified in the trial of the case; (b & c) after a Govt. witness had testified, the judge would be required, on the defendant's motion, to order reports bearing on the witness' testimony to be turned over to the defendant, but the judge first would examine reports the Govt. said contained material not relating to the testimony, and he would excise such material before it went to the defendant; (d) if the Govt. elected not to turn over material as directed by the court, the Govt. witness' testimony would be removed from the record, or the judge could declare a mistrial.

FBI Dir. J. Edgar Hoover had told House GOP leader Joseph W. Martin Jr. (Mass.) in a letter made public Aug. 13 that the bill "is absolutely essential" to "our national security." Since the Jencks decision, he said, "we have experienced instance after instance where sources of information have been closed to our agents because of the fear that the confidence we could once guarantee could no longer be assured." He reported that "persons charged with violations of federal law [already had been] turned loose when the Govt. was faced with the dilemma of either disclosing contents of its investigative reports or abandoning a prosecution."

Immigration. A bill (S2792) to correct "hardships" in current immigration law and thereby permit the entry of an additional 60,000 immigrants was passed by 293-58 House vote Aug. 28 & Senate voice vote Aug. 30.

The bill would: (a) Permit entry during the next 2 years of an unlimited number of orphans adopted by Americans overseas; (b) reunite refugee families & help some 14,000 Iron Curtain escapees by revalidating 18,656 visas still unused when the Refugee Relief Act expired in Dec. 1956; (c) allow permanent residence annually to 50 foreign diplomats who broke with their governments; (d) grant non-quota entry to 1,500 skilled specialists; (e) authorize entry of 8,000 persons from Spain & some Iron Curtain lands by canceling "mortgages" against their countries' quotas; (f) allow the State & Justice Dept., acting jointly, to waive fingerprint requirements for students, artists & other visitors. It did nothing about Pres. Eisenhower's request that permanent status be given to 28,000 Hungarian parolees. [See p. 221B-E2]

Other Legislation. A bill (HR2462) to provide an 11% pay raise for 967,000 federal employes (at a cost of about $530 million) was passed by 329-58 House vote Aug. 9 & 64-22 Senate vote Aug. 27 despite threats of a veto. The bill set a $1,000 ceiling on any individual's raise & a $16,000 ceiling on any individual's annual pay including the raise. The Senate, by 69-17 vote Aug. 27, also passed and sent to the President a bill (HR2427) granting annual raises averaging $546 to 518,000 postal employes [see pp. 244C3, 207E3]. A bill (HR5836) to increase postal revenues by about $527 million a year was passed by 256-129 House vote (171 R. & 85 D. vs. 125 D. & 4 R.) Aug. 13 but died in the Senate. Under the bill, the first-class letter rate would go up from 3¢ to 4¢, the domestic airmail rate from 6¢ to 7¢, the postcard rate from 2¢ to 3¢; other rates also would rise. [See p. 90A-B1]

A bill (S1314) authorizing the Admin. to sell an additional $1 billion worth of U.S. farm surpluses for foreign currencies and to give $300 million worth to the needy abroad was passed by the Senate Aug. 5 and signed by the President Aug. 13 as an extension of PL 480 (originally passed in 1954). It permitted barter with all Communist countries except Russia & Red China and authorized the Govt. to complete a controversial $95 million loan-&-barter deal with Poland [see p. 221C-D3]. 25% of the foreign currencies received under the program would be made available for business development loans to U.S. & foreign companies abroad.

A bill (S8643) authorizing N.Y. State to build a 1,800,000-kw. $600 million power plant at Niagara Falls was passed by 313-75 House vote Aug. 1 and Senate voice vote Aug. 12 and signed by Pres. Eisenhower Aug. 21 as PL 85-159. The 2d largest power project in the U.S. (Grand Coulee Dam was the largest), the Niagara plant would be financed by a N.Y. State Power Authority bond issue and was expected to require no federal funds. The law provided that at least half of the power would be made available to such preference users as state & municipal agencies & non-profit co-operatives and that at least 10% be made available to Pennsylvania & Ohio. N.Y. authorities had rejected Pennsylvania requests for a larger allocation. (The U.S. Court of Appeals in Washington had ruled 2-1 June 20 that a 1950 U.S.-Canadian treaty on Niagara water use had not deprived the Fed. Power Comm. of authority to license N.Y. State to build the plant, as the FPC had claimed in denying N.Y. license requests.) [See p. 23C1; Vol. XVI, 391F3]

A bill (HR7963) extending the life of the Small Business Admin. for one year (until July 31, 1958) and increasing its loan fund from $230 million to $305 million was passed by both houses Aug. 2 and signed by the President Aug. 3. [See p. 244F2]

A bill (HR232) reducing the rapid tax write-off program by 80% for 2½ years and ending it Dec. 31, 1959 was passed by the Senate Aug. 12 & the House Aug. 14. The write-off feature was an amendment to a bill granting tax relief on damages received through breach of contract suits. The write-off program, authorizing rapid amortizations for tax purposes, was a Korean war measure to spur defense production.

A bill to curb billboards along new federal highways was pigeon-holed by a 7-6 vote of the Senate Public Works Com. Aug. 21.

House Speaker Sam Rayburn (D., Tex.) announced Aug. 12 that action on a bill to free natural gas producers of federal price control would be postponed until 1958. [See p. 221F-G3]

Bills to grant statehood to Alaska & Hawaii were approved by the Senate Insular Affairs Com. July 30 but made no further progress in the current session. (The American public had expressed "overwhelming sentiment" for admitting the 2 territories to statehood since 1946, according to a July 11 Gallup Poll report.) [See p. 241F2]

A bill authorizing the death penalty for persons causing death by mailing explosives or poison was passed by the House May 6 & Senate Aug. 26 and signed by the President Sept. 3.

The House Armed Services Com. Aug. 1 voted 31-4 approval for an Admin.-opposed bill to give the secretary of each military service the power to decide whether alleged offenses committed by men in his service overseas were subject to trial by foreign courts. The bill went no further at the current session. [See p. 213B-D2]

A bill (S1747) for compulsory federal inspection of poultry & poultry products in major consuming areas received final Congressional action in

the Senate Aug. 19 before its enactment as PL 85-172.

A bill (HR4602) to extend & expand the program of Govt. housing loans to veterans in rural areas & small communities was pocket vetoed by Pres. Eisenhower Sept. 3 as "discriminatory" and potentially inflationary. It would have extended the program for one year beyond its June 30, 1958 expiration date and would have added $200 million to its loan fund. There was $83½ million left in the fund; $689,069,000 had been lent during the first 7 years of the program's life. [See p. 97G3]

A bill (HR52) increasing monthly payments to 2 million veterans with service-connected disabilities received final Congressional action Aug. 13 and was signed by the President Aug. 27 as PL 85-168. Cost for the first year would be about $167 million.

A bill to require federal registration, reporting & disclosure of employe welfare & pension funds was approved by a Senate Labor subcommittee Aug. 26 but progressed no further at the current session. The measure, providing severe penalties for misuse of funds, would apply to all private industry employe funds operated by firms in interstate commerce or covering employes in 2 or more states. The law's coverage of employer-managed funds had been urged by Labor Secy. James P. Mitchell at a subcommittee hearing May 27. Such coverage had been assailed by the Natl. Assn. of Mfrs. as "attacking the healthy parts of American industry's whole structure of employe benefits." (Mitchell had declared at the convention of the Intl. Bro'hood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers & Helpers in Philadelphia May 9 that he & Pres. Eisenhower "categorically opposed" right-to-work laws and would fight any such national law proposed in Congress.)

Bills cutting the nightclub tax from 20% to 10% and blocking an estimated $1 billion in tax-refund "windfalls" to liquor & tobacco manufacturers were passed by the House Aug. 5 but died in the Senate.

A proposed Constitutional amendment guaranteeing "equal rights" for women in employment & other areas was approved by the Senate Subcom. on Constitutional revision Aug. 5 but made no further progress. [See p. 22E3]

The House Aug. 22 voted to each of its members an extra $100 a year for special delivery stamps and $100 a month for an office in his home district (despite the free office space already authorized in any federal building in his district).

CIVIL RIGHTS

Troops in Little Rock. 9 Negro children attempted Sept. 4 to enter the "all-white" Central High School in Little Rock, Ark. under federal court order. They were barred from the school grounds by armed members of the Arkansas Natl. Guard on specific orders of Gov. Orval E. Faubus, who said he would not let Negroes enter white schools in Little Rock this year. Some 400 white students & spectators jeered the Negroes but attempted no violence.

An order to start school integration in Little Rock in Sept. 1957, issued by Fed. Dist. Judge John E. Miller in 1956, had provoked organized opposition by some segregationist groups, but city officials had announced that they would comply.

Mrs. Clyde Thomason, secy. of Little Rock Central High Mothers, sued in State Chancery Court for an injunction against desegregation as ordered by the federal court. A temporary injunction was issued by Chancellor Murray O. Reed Aug. 29 after Faubus, 47, made an unheralded court appearance to warn that integration would cause violence & bloodshed. His testimony conflicted with that of Dr. Virgil Blossom, 51, Little Rock schools supt., who said a conference with the police chief & a year of talks with parent-teacher & civic groups had convinced him desegregation would be accepted peacefully as "the law of the land" despite much opposition.

Reed's state injunction was overruled Aug. 30 by Fed. Dist. Judge Ronald Norwood Davies, 52. Davies told the Little Rock School Board Sept. 3 to begin desegregation "forthwith" as planned despite a cordon of Natl. Guardsmen & state troopers that Faubus had ordered thrown around the school Sept. 2. Faubus had announced in a radio address Sept. 2 that "the mission of the state militia is to maintain order." Even with the militia, he predicted, it might be impossible to keep the peace if "forceful integration is carried out tomorrow." He concluded, therefore, that "the schools must be operated as they have in the past."

After Arkansas militia turned Negro children away from Central High Sept. 4, Faubus told newsmen that "I am not defying the federal court order" but "merely following out my duty to preserve the peace." In fulfillment of this duty, he said, he had put the school "off-limits" to Negroes.

Judge Davies, however, directed Asst. U.S. Atty. Osro Cobb Sept. 4 to find out who was responsible "for interference with the integration order." FBI special agent Joseph J. Casper was assigned by Cobb to make the investigation.

Pres. Eisenhower, at his press conference Sept. 3, indicated that he planned no early intervention in Little Rock. "The next decision will have to be by the lawyers & jurists," he said. He called attention to the "very strong emotions" of segregationists, "people that see . . . mongrelization of the race, they call it," but he predicted that "we are going to whip this thing in the long run by Americans being true to themselves & not merely by law." He reiterated that "you cannot change people's hearts merely by laws."

(4 segregation bills signed by Faubus Feb. 26 set up a Sovereignty Comm. to make anti-integration investigations, authorized parents to refuse to send their children to integrated schools, required organizations such as the NAACP to publish membership, contribution & expenditure data and authorized the use of school district funds to hire lawyers & pay other legal costs to fight integration suits.) [See pp. 238B-F2, 237B-C3, 230B3, 6D3]

Negro in Levittown. William E. Myers Jr., 34, a refrigeration equipment tester, bought a home in Levittown, Pa. for $12,150 and moved in with his family Aug. 19 despite a week of agitation beginning Aug. 13 against the entry of this first Negro family in the all-white community of 60,000. Gov. George M. Leader ordered state troopers to protect the Myers family & the house after several stone-throwing incidents. (Levittown school authorities revealed Aug. 27 that they had hired the first 2 Negro teachers to be employed in the town's schools.)

FOREIGN

Malaya. The 9 Malay States and the former British colonies of Malacca & Penang became the Free & United Federation of Malaya (estimated pop. 6 million, with 49% Malay, 38% Chinese, 13% Indian & Pakistani) and the 10th member of the British Commonwealth Aug. 31. Britain's 83-yr. rule of Malaya was ended with a royal proclamation presented by the Duke of Gloucester in ceremonies in Kuala Lumpur attended by British, Malayan & foreign officials, including U.S. State Undersecy. Christian A. Herter. A new Malayan constitution had been approved Aug. 15 by the former Federal Legislative Council. [See p. 254F2]

Tuengku (Prince) Abdul Rahman, Malayan Chief Min. & leader of the dominant multiracial Alliance party, lauded Britain Aug. 28 for the creation of "fine machinery" for the new Govt. With announcement of a new Malayan Cabt. Aug. 28, Rahman, 54, became Malayan Prime Min. & External Affairs Min. Others in the new Cabt.: Defense—Dato Abdul Razak bin Hussein; Finance—Sir Henry Hau Shik Lii; Health—V. T. Sambantahn; Agri.—Inche Abdul Aziz bin Ishak; Labor & Welfare—Ong Yoke Lin; Commerce & Industry—Tan Siew Sin; Eductn.—Inche Mohammed Khir bin Johari; Natural Resources — Inche Bahaman bin Samsuddin; Transport—Inche Abdul Rahman bin Haji Talib; Without Portfolio — Dr. Ismail bin Dato Abdul Rahman. [See Vol. XV, p. 258E1]

Sir Abdul Rahman Ibni al-Marhum, 62, prince of Negri Sembilan State, formally was proclaimed Paramount Ruler (Yang Di-Pertuan Agong) of Malaya in Kuala Lumpur Sept. 2 and began a 5-yr. term as constitutional monarch. Rahman, in his first state address Sept. 3 to the opening session of the new Malayan Parlt. in Kuala Lumpur, offered an estimated 1,800 Communist rebels still fighting in the Malayan jungles amnesty if they surrendered before Dec. 31. The amnesty gave the rebels a choice between reintegration in Malaya or

Business & Financial Summary

Week Ended Aug. 31

FINANCE:			
U. S. Treasury—	**This Week**	**Last Week**	**Year Ago**
Monetary gold stocks	*$22,626	*$22,625	*$21,857
Currency circulation	*$30,998	*$31,055	*$30,618
Banks—			
Com'l, ind'l & agri'l loans§	*[a]$31,790	*$31,537	*$28,724
N. Y. bank clearings	$10,948,925,704	$10,086,859,212	$10,182,386,271
England note circulation	*£1,995.479	*£2,006.983	*£1,907.49
N. Y. Stock Exchange—			
Stock sales (shares)	9,997,700	9,921,528	8,032,353
Stock avgs. (100 stocks)**	199.92	198.09	206.99
Bond sales (par value)	$17,640,900	$17,007,000	$15,046,600
Bond avgs. (30 bonds)**	85.65	85.74	93.87
INDUSTRY:			
Auto output (cars & trucks)†	138,367	143,621	76,871
Crude oil (bbls. daily)	[b]6,788,500	6,836,850	7,126,550
Soft-coal output (tons)	[c]7,600,000	9,620,000	9,750,000
Electric output (kwh.)	*[b]12,023	*12,409	*11,340
Carloadings (cars)	[b]759,140	750,640	770,413
	July	**June**	**July 1956**
Ind'l output§¶	144	144	136
Steel output (tons)	8,908,732	9,391,402	1,622,163
PRICES:	**This Week**	**Last Week**	**Year Ago**
Wheat (bu.)	$2.49¾	$2.50¼	$2.59⅜
Corn (bu.)	$1.53⅛	$1.58	$1.88½
Cotton (lb.)	$.3505	$.35	$.344
Steel scrap avg. (ton)	$51.50	$53.00	$58.17
Wholesale food index‡	[d]$6.32	$6.29	$6.04
Weekly whlsl. index (BLS)¶	[d]118.0	118.0	114.6
BUSINESS:			
Dept. store sales§¶	[b]121	115	120
Failures (Aug. 22)‡	260	222	215

*In millions **N.Y. Herald Tribune †Ward's estimate ‡Dun & Bradstreet ¶1947-49=100 §Fed. Reserve Board [a]Member banks, 94 cities, Aug. 21 [b]Aug. 24 [c]Aug. 17 [d]Aug. 27

Other U.S. economic statistics: A 3.2% rise in the consumer price (cost of living) index during the past year to a record high of 120.8% of the 1947-49 average, as of mid-July, was reported Aug. 22 by the Bureau of Labor Statistics, which cited higher food, rent, medical, cigarette, transportation, medical & recreational costs that overcame decreases in clothing & household appliance prices [see p. 254D3]; personal income set an annual record of $324 billion in 1956 (7% more than in 1955) for a per capita average of $1,940, with Delaware's $2,858 the highest per capita average of any state, the Census Bureau reported Aug. 26 [see p. 271B1]; taxes paid to all levels of government in the year ended June 30 averaged $545 per capita, expenditures $600 per capita, with $241 (40%) devoted to defense and $84 (14%, next biggest expenditure item) to education, the Treasury Dept. reported Aug. 22 [see p. 271D2, Vol. XVI, 311B-D2]; consumer credit increased during July to $42,365,000,000, with installment contracts accounting for $355 million of the total, the Fed. Reserve System reported Sept. 3. [See pp. 271A1, 43C2]

Fed. Reserve Banks' adoption throughout the system of a 3½% discount rate was completed when the N.Y. & Cleveland banks raised their rates Aug. 23. [See pp. 263A1, 271A1] . . . **U.S. Treasury** offered Aug. 30 a 3.571% discount on 91-day Treasury bills, the highest rate for its short-term borrowing since 1933. [See p. 238F3] . . . **Edsel,** a new medium-priced auto ($2,300-$3,489 plus optional accessories) named for the late Edsel Ford, was placed on sale by the Ford Motor Co. Sept. 4 to rank with its Mercury as a competitor of GM & Chrysler cars in the same price field (GM's Pontiac, Oldsmobile & Buick, Chrysler's Dodge, DeSoto & Chrysler).

transportation to Red China. [See Vol. XVI, pp. 178D2, 123G1]

The Malayan Govt. applied Aug. 31 for UN membership. [See p. 79G3]

Nigeria. Alhaji Abubakar Tafawa Balewa, leader of Nigeria's Northern People's Congress party, was installed Sept. 2 in Lagos as first Prime Min. of the Nigerian Federation. Balewa, designated Prime Min. Aug. 30 by British Gov. Gen. Sir James Robertson, told the Nigerian House of Reps. Sept. 2 that he would aim for the end of Nigeria's status as a British colony & protectorate by 1960. Robertson, in his speech from the throne, asserted Sept. 2 that Britain would support Nigerian efforts toward independence. Balewa's Cabt., announced Aug. 30: Prime Min. & Finance Min. —Balewa; Commerce & Industry—Dr. K. O. Mgadiwe; Labor & Welfare—Chief Festus Okote-Eboh; Lagos Affairs, Mines & Power—Alhaji Muhammadu Ribadu; Transport — R. A. Njoku; Works & Survey — Malam Muhammadu Inuwa Wada; Research & Info.—Chief Kolawole Balogun; Eductn.—Aja Nwachuku; State Min. & Representing the Southern Cameroons—Viktor Mukete; Internal Affairs—J. M. Johnson. [See p. 31E1]

OBITUARIES

Morgan B. Brainard, 78, bd. chrmn. (pres. 1922-56) of Aetna insurance firms; Aug. 28 in Hartford, Conn.

Peter Freuchen, 71, Danish explorer, newsman, author ("Arctic Adventure," "Vagrant Viking"); Sept. 2 in Anchorage, Alaska of heart attack. [See Vol. XVI, p. 224E3]

Harold Gatty, 54, navigator for Wiley Post on 1931 world flight, Fiji Airways owner; Aug. 30 in Suva, Fiji Islands.

William A. Lundy, 109, Confederate Civil War veteran; Sept. 1 in Crestview, Fla. (His death left Walter W. Williams, 114, of Houston, Tex. & John Salling, 111, of Slant, Va. the only living Confederate veterans.)

Craig Rice, 49, woman mystery writer ("Having Wonderful Crime," "Trial By Fury," "To Catch A Thief"); Aug. 28 in Los Angeles.

Dr. Otto Suhr, 63, Lord Mayor of West Berlin, West German Bundesrat pres., ex-head of German Industrial Admin. in Berlin's Soviet Zone, ex-pres. of Berlin City Assembly; Aug. 30 in Berlin of leukemia.

Harley O. Teets, 50, warden of San Quentin prison; Sept. 2 in San Quentin, Calif. of heart attack.

MISCELLANEOUS

Disasters & Accidents. At least 173 persons were killed & 400 injured when an excursion train broke apart and 9 derailed cars plunged into a ravine Sept. 2 near Kendal, Jamaica. . . . 9 persons were known to have died and 80 were listed as missing & presumed dead after the Argentine river steamer "Ciudad de Buenos Aires" sank in the River Platte Estuary Aug. 27 following a collision with the U.S. Moore-McCormack freighter "Mormacsurf." Silverio Birzuela, captain of the "Ciudad de Buenos Aires," locked himself in his cabin & went down with his ship. . . . Traffic accidents caused 445 deaths, drowning 95 and other kinds of accidents 96 (total 636) during the Aug. 30-Sept. 2 Labor Day holiday period in the U.S., the AP reported Sept. 3. [See p. 224F2] . . . Austrian authorities reported Aug. 29 that 74 mountain climbers & other vacationers had been killed in storms & accidents in the Austrian Alps this summer. [See p. 264B2] . . . Floods on the Ravi, Chenab & Jhelum Rivers were reported Aug. 31 to have destroyed several villages & caused 75 deaths in West Pakistan. [See p. 160F2] . . . Rescue of 23 crewmen of the Norwegian freighter "Polarbjoern," which was crushed in an ice pack off eastern Greenland Aug. 25, was completed Aug. 29 by a USAF helicopter crew based at Thule, Greenland.

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Confidential magazine's story that she had misbehaved with an escort in Grauman's Chinese Theater in Hollywood was denied by actress Maureen O'Hara when she testified Sept. 3 as a state rebuttal witness in the Los Angeles trial of Mr. & Mrs. Fred Meade, Hollywood Research, Inc., "Confidential" & "Whisper" and Publishers Distributing Corp. Actress Dorothy Dandridge also denied as a witness Sept. 3 a "Confidential" story that she had held a tryst in a woods with a man (identified by Meade in testimony Aug. 21 as bandleader Daniel Terry). Meade had testified Aug. 21 that a "Confidential" article linking actress Mae West romantically with the late ex-boxer Chalky Wright [see p. 264B1], which Miss West told newsmen Aug. 22 was "ridiculous." [See p. 263A3]

Salem, Mass. colonial court's convictions of 6 women (Ann Pudeator, Bridget Bishop, Susanne Martin, Alice Parker, Margaret Scott, Milmot Reed) of witchcraft in 1692 were reversed by a Mass. State Legislature resolution signed by Gov. Foster Furcolo Aug. 28. They had been exempted from a mass exoneration of 16 other women in 1711 because no relatives petitioned on their behalf. The measure signed Aug. 28 was sought by H. Vance Greenslit of Lexington, Ky., descendant of Ann Pudeator.

Married: Cornelius K. Vanderbilt Jr., 59, & Ann Needham, 25, his secy.; Sept. 3 in Reno, Nev. (his 6th). [See Vol XIII, p. 216M]